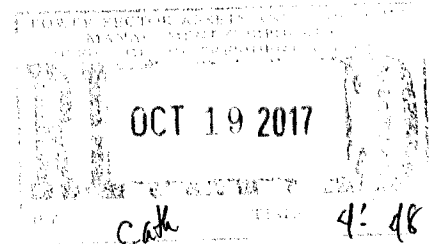


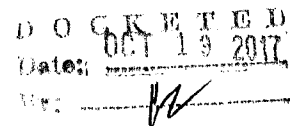
Republic of the Philippines
ENERGY REGULATORY COMMISSION
San Miguel Avenue, Pasig City

**IMPLEMENTATION OF THE
APPROVED 10TH TO 17TH
GENERATION RATE
ADJUSTMENT MECHANISM
(GRAM) AND 15TH TO 16TH
INCREMENTAL CURRENCY
EXCHANGE RATE
ADJUSTMENT (ICERA)**



**ERC CASE No. 2008-042 RC
ERC CASE No. 2008-053 RC
ERC CASE No. 2008-063 RC
ERC CASE No. 2009-032 RC
ERC CASE No. 2009-056 RC
ERC CASE No. 2010-003 RC
ERC CASE No. 2010-068 RC
ERC CASE No. 2010-074 RC
ERC CASE No. 2010-067 RC
ERC CASE No. 2010-073 RC**

**IMPLEMENTATION OF THE
APPROVED 1ST TO 5TH
AUTOMATIC COST
RECOVERY MECHANISM
(ACRM) TRUE-UP
ADJUSTMENT**



**ERC CASE No. 2011-115 RC
ERC CASE No. 2012-067 RC
ERC CASE No. 2013-092 RC
ERC CASE No. 2014-098 RC
ERC CASE No. 2015-124 RC**

**NATIONAL POWER
CORPORATION/ POWER
SECTOR ASSETS AND
LIABILITIES MANAGEMENT
CORPORATION NPC/PSALM,
Applicants.**

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ORDER

In an Order dated 20 June 2017, the Commission approved PSALM's recovery/refund scheme for the implementation of the 10th to 17th GRAM and the 15th to 16th ICERA. PSALM was authorized to implement the allocated DAA for each customer based on the recovery period of sixty (60) months.

Likewise, on 20 June 2017, the Commission issued its Decision, authorizing PSALM to implement its recovery/refund of the 1st to 5th ACRM. Considering the rate impact of the approval, PSALM was directed to submit a mechanism on the management and implementation of the said approved amount within the sixty-month (60 months) period.

PSALM in its *Compliance* dated 08 September 2017 submitted *Memorandum Circular No. 2017-001 Guidelines and Procedures Governing the Implementation of the Deferred Accounting Adjustments (DAAs) and Automatic Cost Recovery Mechanism (ACRM) true-up Adjustments*.

In the same compliance, PSALM also submitted the true-up Adjustment Allocation per Customer of the approved 1st to 5th ACRM true-up.

On 03 October 2017, the Private Electric Power Operators Association (PEPOA) through a letter requested for clarification of the implementation of the 10th to 17th GRAM and 15th to 16th ICERA.

On 06 October 2017, PEPOA filed an "*Ex-Parte Motion for Leave to Intervene, Admit Motion Clarification and to Defer Implementation of the DAA under the 10th – 17th GRAM and 15th – 16th ICERA*".

In a Commission Meeting held on 19 October 2017, the Commission undertakes to resolve the issues raised by PEPOA and rule on PSALM's *Compliance* after due evaluation. Pending said evaluation, the Commission hereby resolves to defer implementation of the said Order and Decision both dated 20 June 2017 to the January 2018 billing.

PSALM is hereby directed to inform all concerned parties of the said deferment and to further conduct information dissemination regarding the nature and mechanism for recovery of the subject charges.

SO ORDERED.

Pasig City, 19 October 2017.

FOR AND BY AUTHORITY
OF THE COMMISSION:



JOSEFINA PATRICIA A. MAGPALE-ASIRIT
Commissioner

amdb/ftu

Copy furnished:

1. Private Electric Power Operators Association (PEPOA)
2. Philippine Rural Electric Cooperatives Association (PHILRECA)
3. Philippine Federation of Electric Cooperatives (PHILFECO)
4. All Distribution Utilities